

The Military OneSource CONNECTION



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1-800-342-9647

www.militaryonesource.com

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Before you begin preparing your taxes, it is recommended you have the following information available:

- Social Security numbers for you, your spouse, and dependents
- Child care, education, and adoption costs
- W-2 Forms for all employers for you and your spouse
- Investment income forms
- Alimony information
- Social Security benefits
- Miscellaneous income
- Form 1098-E for student loan interest
- Form 1098 for home mortgage interest
- Charitable donations
- Medical and dental expenses
- Real estate taxes

FREE Tax Preparation and Filing



Now available through Military OneSource for active duty, Guard and Reserve, and their families.

Service members can now prepare and file their 2006 income taxes -- federal and state -- with this easy-to-use program.

Key features include:

Simplicity. Service members must access the program through www.militaryonesource.com. The program will guide the user online through a step-by-step process, provide the required forms and documentation, perform the calculations, and include tax-relevant questions about issues like deployment and relocation.

Help from experts. Military OneSource tax consultants are available 24/7 by phone at 1-800-730-3802 and by e-mail at TaxCut@militaryonesource.com to help with personal tax-related questions and financial planning. They'll help the user plan how to use their refund wisely -- to save and to pay off debt.

Military OneSource offers additional support

Service members and families also have free access to a financial planner or CPA, research and referral to other military financial support programs, calculators for mortgage, car and debt payments, and financial management booklets and CDs through Military OneSource. Call or visit us online for free consultation on issues such as:

- Whether or not you need a tax professional
- How to resolve personal issues with the IRS
- Filing taxes when a service member is deployed
- How to get advance earned income payments
- Using your tax refund wisely
- Tax credits (Child and Dependent Care Credit, Child Tax Credit, and the Earned Income Tax Credit)
- Dependent Care Assistance Plans (commonly called DCAPs)

New Military OneSource Special Needs Webinar -- Special Needs Resources

February 13 at 0900 ET (9:00 am) February 13 at 1200 ET (noon) February 13 at 2100 ET (9:00 pm)

Having a child with special health and/or educational needs can be challenging for military families. Services for special needs children vary from state to state and connecting to the right organizations and resources can be especially tricky.

Join representatives from Military Community & Family Policy, Office of the Secretary of Defense as they provide a comprehensive overview of useful Department of Defense and other government and non-government resources that can help special needs families.

Topics Include:

- Locating local, state and community resources
- Government websites
- Evaluating online resources
- Connecting with other families



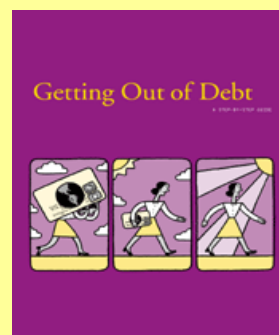
Register now!

A webinar is a free interactive online workshop available through Military OneSource. Anyone with Internet and phone access can attend, but you must first register. Visit www.militaryonesource.com and click on the Webinar link under the Events and Community section on the left side of the page. Choose a session date and click on the registration link. Once you have registered, you will receive an e-mail confirmation providing the information that you need to join the session.

For questions regarding registration, send an e-mail to webinars@militaryonesource.com.

Getting Out of Debt: A step-by-step guide

Easy access to consumer credit leads many people into difficulty with debt. While most people manage their spending and their debt in healthy ways, many people fall into a spiral of rising debt and increasing financial pressure. This booklet offers practical advice, delivered in a reassuring and encouraging way, to help people regain control of their finances when struggling with problem debt. The booklet includes a self-assessment quiz and several worksheets. It is organized into eight sections, the core of which is a four-step program for getting out of debt. Call or visit us online to order your copy today!



Are you concerned about the possibility of increased deployments to Iraq?

Military OneSource is committed to providing service members and their families with resources and support, 24/7, with issues related to deployment and military families. Our **Surge Support for Families Discussion Board** is a one-stop source about support for service members and families affected by increased troop deployments. Government and nongovernmental organizations can post information here about family-support resources and events. Service members and families with shared concerns about deployments can connect here, too. Visit the discussion board online today at www.militaryonesource.com.

Filing Taxes When a Service Member Is Deployed

Getting started

If you are a service member or are filing on behalf of one, there are a few things you should know before getting started.

- *File returns in your permanent home state.* If you are stationed somewhere other than your permanent home address, in most cases you will still pay state taxes to your home state. Spouses working outside their home of record in most cases will also have to file a state tax return for the state in which they are employed.
- *Access your tax statement online.* Go to myPay at mypay.dfas.mil. You will need your personal identification number (PIN) to access your W2 form.
- *Be sure to have power of attorney if filing for a deployed service member.* Attach a copy of your power of attorney to your tax return. You may use IRS Form 2848, Power of Attorney and Declaration of Representative. The form can be found at www.irs.gov/pub/irs-pdf/f2848.pdf.

The IRS has a detailed tax guide for members of the Armed Forces at <http://www.irs.gov/publications/p3/index.html>.

Combat zone and hazardous duty deadline extensions

The IRS extends filing deadlines for members of the Armed Forces for the following reasons:

- *You or your spouse are serving in a combat zone or in direct support of those in the combat zone and receive hostile fire or imminent danger pay.* The deadline for filing income taxes

is 180 days after your last day in the combat zone or hazardous duty area. Go to www.irs.gov/newsroom/article/0,,id=108331,00.html to see a list of combat zones. In addition to the 180 days, the extension includes the number of days left in the filing period when you entered the combat zone or hazardous duty area. The filing period is January 1 through April 15. So, if you or your spouse entered the combat zone on March 31, you would add 15 days to your 180-day tax filing extension.

- *You or your spouse is hospitalized outside of the United States as a result of injuries suffered in a combat zone or hazardous duty area.* The deadline is 180 days after discharge from the hospital. Note that the extension does not apply to the spouse if the service member is hospitalized in the United States.

Your command will have notified the IRS of your deployment to a combat zone but you may want to notify the IRS directly through its special e-mail address. E-mail the deployed member's name, stateside address, date of birth, and date of deployment to combatzone@irs.gov or call the IRS main helpline at 800-829-1040. If the IRS sends a notice regarding a collection or examination, return it to the IRS with the words, "Combat Zone" and the deployment date in red at the top of the notice so the IRS will suspend the action. Write, "Combat Zone" on the envelope as well.

Getting help with your taxes

Service members and their families can get help at many installations through the Voluntary Income Tax Assistance program (VITA). Check with your legal center to see if this

service is available at your installation. VITA volunteers will help you file your taxes free of charge. Go as early before the filing deadline as possible to avoid long lines. If you decide to see a private tax preparer, make sure he or she is familiar with the IRS Armed Forces' Tax Guide and has experience filing returns for service

Have the following with you:

- Military ID
- All W-2 and 1099 forms
- Social Security cards for all family members
- Deductions and credit information
- Bank account and routing numbers (if you choose to receive your refund by direct deposit)
- Receipts for child care expenses
- Last year's tax return, if available
- Special power of attorney authorizing you to do business on behalf of the deployed service member

members and their dependents.

Before sending in your completed tax forms, double-check your figures and make sure all Social Security numbers are entered correctly. And remember, unless you qualify for an extension, the filing deadline for federal income taxes is April 15. Filing deadlines vary from state to state so check with the local county tax office for the filing deadline in your state.

For more information, contact a Military OneSource tax consultant at 1-800-730-3802.

What can Military OneSource do for service members and families?

Real help, Anytime, Anywhere 24 Hours a Day, 7 Days a Week

Provided by the Department of Defense at no cost to active duty, Guard and Reserve, and families.

CONSULTATION: From deployment support to education and special needs, consultants answer the phone "live" to help the caller identify the issue and problem solve -- all within the privacy of home. Specialists can help with financial counseling and planning, adoption, in-home child care, k-12 education, college prep and admissions, special needs, eldercare, and adult disabilities. You name it. We can help.

RESEARCH and REFERRALS: Relocating to a new community, need child care, spouse employment, or help with home repairs? We will provide a customized response.

INTERPRETATION and TRANSLATION: In more than 140 languages! Written documents can be translated and interpreters can facilitate three-way phone conversations to ensure communication between caller and a third party.

COUNSELING: Counselors are available in the United States, in local communities. Referrals include six in-person non-medical counseling sessions per issue with a licensed counselor. Counselors can help with issues such as:

- Coping with deployment and reunion
- Normal reactions to abnormal situations (e.g. combat)
- Bi-cultural issues
- Marital and couples concerns
- Grief and loss
- Adjusting to a new location
- Problem solving
- Stress management and more...

EDUCATIONAL MATERIALS: Whether you're homesick, dealing with relationship issues, managing stress, or buying your first car, we have free booklets, CDs, and articles to assist you. Materials are mailed at no cost.

INTERACTIVE WEB SITE: Prepare and file your federal and state tax returns. Look for videos on common issues such as communicating as a couple, budgeting and managing anger. Other features include locators for education, child care, elder care, online articles, referrals to military and community resources, financial calculators, search by topic, live online workshops, and "Email a consultant."

Military OneSource is a virtual extension of your installation services

Stateside: 1-800-342-9647

Overseas: xx-800-3429-6477
(Country access codes can be found online)

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We value your comments on this newsletter.
Any questions or concerns, please contact Krystal Shiver, Communications Manager:
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